GOVERNMENT OF INDIA
CIVIL AVIATION
LOK SABHA

UNSTARRED QUESTION NO:2228
ANSWERED ON:12.03.2001
PERFORMANCE OF AIR INDIA AND INDIAN AIRLINES
PRABHAT KUMAR SAMANTARAY;RAM PRASAD SINGH;SRIKANTA DATTA NARASIMHARAJA WADIYAR

Will the Minister of CIVIL AVIATION be pleased to state:

(a) the details of the profit earned by Air India and Indian Airlines during each of the last three years;

(b) the losses sustained by Indian Airlines and Air India during the year 2000-2001 as compared to the previous three years, year-wise; and

(c) the steps taken by the Government to reduce the losses incurred by Air India and Indian Airlines and to improve the performance and quality of service to the passenger?

Answer

THE MINISTER OF CIVIL AVIATION (SHRI SHARAD YADAV)

(a) and (b) :- Details are as under:-

Year	Profit/Loss (Rs. in crores)	
	Air India	Indian Airlines
1997-98	(181.01)	47.27
1998-99	(174.48)	14.17
1999-00	(37.63)	51.42
2000-01 (April-Dec.)	(30.67	(145.50) (April-Jan.)

(c):- Air India has taken various steps to overcome the huge loss such as
(i) Several posts of India based officers abroad have been abolished;
(ii) Two voluntary schemes have been notified, viz shorter working scheme and leave without pay and allowance scheme for a period of two years extendable upto five years.
(iii) Redeployment of employees from non-operational to operational areas;
(iv) freeze on external recruitment in non-operational categories;
(v) 10% cut in daily outstanding allowance payable at all foreign stations and 25% at Indian Stations; and
(vi) introduction of route rationalisation programme to optimise revenue involving curtailment of flights on marginal and loss making routes and the redeployment of this capacity to profit making routes.

Indian Airlines has also taken steps such as
(i) Ban on direct recruitment on all posts other than those required for operational work,
(ii) Non-filling up of vacant posts,

(iii) Roll back of retirement age.